

MOTION BY SUPERVISOR YVONNE B. BURKE

SEPTEMBER 11, 2007

AMENDMENT TO ITEM NO. 43

The County of Los Angeles, with the support of Mercer Health & Benefits Consulting, annually engages in extensive analyses of insurance utilization rates, hospitalization costs and numerous other factors affecting our increasing healthcare premiums. Despite repeated attempts by County staff and Mercer, it appears that we continue to experience difficulties when attempting to obtain data which would validate the unsubstantiated fluctuation and increasing healthcare insurance premiums from Kaiser Permanente. Given the current trend of annual increases, it is imperative that the County take every step necessary to ensure full disclosure of all necessary data that can lead toward stabilization, or perhaps reduction, of these skyrocketing costs.

I, THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

Direct the Chief Executive Officer (CEO) to immediately form and lead a taskforce comprised internally of the Departments of Human Resources and the

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MOLINA	_____
BURKE	_____
KNABE	_____
ANTONOVICH	_____
YAROSLAVSKY	_____

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Auditor-Controller, working in concert with Mercer Health & Benefits, to actively solicit participation from other local government jurisdictions in order to:

- 1) Examine the feasibility of forming a statewide consortium of local governmental bodies seeking to obtain industry-standard data which would validate increasing healthcare insurance rates from Kaiser Permanente and any other insurance providers. The primary purpose of this consortium shall be to jointly explore all options necessary to address the issues of information disclosure;
- 2) Fully examine opportunities for Los Angeles County to implement innovative healthcare insurance cost-savings initiatives beyond our Cost Mitigation Goals and Objectives Program. The analysis shall consist of programs including but not limited to those currently utilized by other large employers, public and private. For example, others reportedly achieve savings in their premiums through onsite exercise facilities, nutrition education, etc.; and
- 3) Determine the best legislative alternatives, at both state and federal levels, that would mandate full disclosure of industry-standard information allowing the County to validate Kaiser Permanente and other insurers' healthcare rates.

I, FURTHER MOVE THAT THIS BOARD:

Direct the CEO to report back with his findings and recommendations within 60 days.

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